

LAPIS TECHNOLOGIES INC  
Form 10-Q  
November 19, 2012

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE  
ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED: September 30, 2012

COMMISSION FILE NUMBER 333-100979

LAPIS TECHNOLOGIES, INC.  
(Exact Name of Registrant as Specified in its Charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

27-0016420  
(I.R.S. Employer  
Identification No.)

70 Kinderkamack Road, Emerson, New Jersey  
(Address of principal executive offices)

07630  
(Zip Code)

(201) 225-0190  
(Registrant's telephone number,  
including area code)

n/a  
(Former name, former address and  
former fiscal year, if changed since  
last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer  (Do not check if a smaller reporting company)

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes  No

As of November 14, 2012, there were 6,483,000 issued and outstanding shares of the Registrant's Common Stock, \$0.001 par value.

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EXPLANATORY NOTE

In connection with the filing of this Quarterly Report on Form 10-Q (the "Report") for the quarterly period ended September 30, 2012, Lapis Technologies, Inc. (the "Company") is relying on Release No. 68224 issued by the United States Securities and Exchange Commission (the "SEC"), entitled "Order Under Section 17A and Section 36 of the Securities Exchange Act of 1934 Granting Exemptions from Specified Provisions of the Exchange Act and Certain Rules Thereunder," which provides that filings by registrants unable to meet filing deadlines due to Hurricane Sandy and its aftermath shall be considered timely so long as the filing is made on or before November 21, 2012, and the conditions contained therein are satisfied. Certain of the Company's legal counsel and members of the Company's independent registered public accounting firm are located in New York, New York, and accordingly the Company was unable to file this Report by November 14, 2012 due to disruptions caused by Hurricane Sandy.

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## PART I - FINANCIAL INFORMATION

## Item 1. Financial Statements.

LAPIS TECHNOLOGIES, INC. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
(US\$ In Thousands)

	September 30, 2012 (Unaudited)	December 31, 2011
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$8,400	\$ 940
Marketable securities	3,039	-
Trade account receivables	8,876	7,947
Inventories	8,380	2,479
Derivative asset - call options	408	-
Other account receivable	1,517	705
Total current assets	30,620	12,071
Property, plant and equipment, net	2,199	482
Intangible assets, net	1,930	-
Long term deposit	42	22
Deferred income taxes	276	3
Total long term assets	4,447	507
Total assets	\$35,067	\$ 12,578

	September 30, 2012 (Unaudited)	December 31, 2011
<b>LIABILITIES AND EQUITY</b>		
Short term bank credit and current portion of long term bank loans	\$2,180	\$ 766
Current portion of long term notes and convertible debenture, net of discount	3,222	1,000
Trade account payables	3,262	1,312
Other account payables	3,607	1,033
Derivative liability- put option	169	-
Deferred tax liabilities	189	-
Total current liabilities	12,629	4,111
Long term loans from banks	1,611	2,505
Long term notes convertible debenture net of discount	2,796	1,282
Derivatives liabilities- warrants	2,299	799
Accrued severance pay, net	1,088	228
Deferred tax liabilities	171	-
Excess in losses of affiliated company	-	41
Total long term liabilities	7,965	4,855
<b>Stockholders' Equity:</b>		
Preferred stock; \$.001 par value, 5,000,000 shares authorized, none issued and outstanding		
Common stock; \$.001 par value, 100,000,000 shares authorized, 6,483,000 shares issued and outstanding	6	6
Additional paid in capital	-	-
Accumulated other comprehensive income (loss)	(132 )	105
Retained earnings	7,589	3,501
Lapis stockholders equity	7,463	3,612
Noncontrolling interests	7,010	-
Total equity	14,473	3,612
Total liabilities and equity	\$35,067	\$ 12,578

LAPIS TECHNOLOGIES, INC. AND SUBSIDIARIES  
 CONSOLIDATED STATEMENTS OF INCOME  
 (US\$ In Thousands, Except Earnings Per Share Data)  
 (Unaudited)

	Nine months ended September 30,		Three months ended September 30,	
	2012	2011	2012	2011
Revenues	\$8,212	6,947	3,780	2,973
Cost of revenues	6,017	4,191	3,102	1,850
Gross profit	2,195	2,756	678	